

National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure/Indicator (Unit of Measure)	Annual Targets	Revised Targets	Q1	Q2	Q3	Q4	Weight
Municipal Transformation and Institutional Development	To effectively build and maintain Institutional Capacity and enhance municipal transformation	To align organisational structure to IDP	No. of strategic sessions attended with departmental inputs	4		1	1	1	1	
		Development of municipal policies .	No of policies developed	4		1	1	1	1	
		To oversee development Municipal Systems	No of systems developed	4		1	1	1	1	
		Organisational evaluation & restructuring	Coordinate the Strategic Session resulting in an adopted organisational structure including job profiles (HOD's to attend the strategic session)	2		1			1	
Basic Service Delivery and Infrastructure Development	To provide sustainable community facilities	Oversee the development & implement municipal community facilities plan.	No of meetings held with council and the community	4		1	1	1	1	
		Partner with DC27 to provide Water reticulation Function in Urban area	Signed Service level agreement	1					1	
	To ensure the provision, upgrading and maintenance of Infrastructure and Services to address Backlogs	Oversee that Service Level Agreements with respective service providers in the municipal area are entered into	100% signed service level agreements to all service providers contracted to the municipality							
		To ensure, through liaison with Eskom and uMkhanyakude DM, that residents receive electricity	No meetings held with Eskom	4		1	1	1	1	

Financial Viability And Financial Management	To create and uphold effective and efficient Financial Systems	Ensure that the Budget (capital and operational) is aligned to the IDP through the preparation and implementation of the Service Delivery Budget Implementation Plan (SDBIP) and review annually.	No of monthly reports to Manco (12)	12		4	4	4	4	
		Effective systems for budget control & expenditure management by HOD's	No of Manco meetings attended(Coordinate)	12		4	4	4	4	
Good Governance, Community Participation and Ward Committees Systems	To promote participatory and transparent governance for the community, service providers and investors to function in the municipality		To review IDP annually	Number of meetings attended(Custodian to coordinate the IDP Meetings)	4		1	1	1	1

CORPORATE SERVICES DEPARTMENT											
National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure/Indicator (Unit of Measure)	Annual Targets	Revised Targets	Q1	Q2	Q3	Q4	Weight	Motivation for under performance or exceptional performance
Municipal Transformation and Institutional Development	To effectively build and maintain institutional capacity and enhance municipal transformation	To align organisational structure to IDP	No. of strategic sessions coordinated	4		1	1	1	1		
		Capacity Building	No. of vacant positions filled as per approved budget	10		3	2	4	1		
		Work Place Skills Plan revised and implemented	No of approved work place training plan	1					1		
		Review & implementation of HR Policies	No of HR Policies Reviewed and implemented	3		1	1	1			
		To develop Municipal Systems	No of systems developed	2	2						
		Organisational evaluation & restructuring	Strategic Session resulting in an adopted organisational structure including job profiles (HODs to attend the strategic session)	1				1			
Local Economic Development	Development of prioritised groups	Review the employment equity plan	Acknowledgement of receipt by the Department of Labour	1	1						
Good Governance, Community Participation and Ward Committee Systems	To promote participatory and transparent governance for the community, service providers and investors to function in the municipality	IDP Review Process	No of meetings attended	4		1	1	1	1		
		To develop framework for ward committees structures i.e. functionality, composition & performance criteria.	Approved Ward Committee Structure Framework	1	1						
		Establishment of effective portfolio committees.	No of functional committees established	3		1	1	1			
Financial Viability And Financial Management	To create and uphold effective and efficient Financial Systems	Ensure that the budget (Capital&operational) is aligned to the IDP through the preparation and the implementation of the service delivery implementation plan(SDBIP)	No of monthly reports to Manco	12	12	3	3	3	3		

FINANCE SERVICES DEPARTMENT											
National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure/Indicator (Unit of Measure)	Annual Target	Revised Targets	Q1	Q2	Q3	Q4	Weight	Motivation for under performance or exceptional performance
Municipal Transformation and Institutional Development	To effectively build and maintain institutional capacity and enhance municipal transformation	To align organisational structure to IDP	No. of strategic sessions attended with departmental inputs	4		1	1	1	1		
		Capacity Building	No. of vacant positions filled as per approved budget	2		1	1				
		Organisational evaluation & restructuring	No adopted organisational structure including job profiles								
				1		1					
Basic Service Delivery and Infrastructure Development	To ensure the provision, upgrading and maintenance of infrastructure and services to address Backlogs	Recalculation of free basic services and re-identification of indigent customers I.t.o. electricity provision	No of meetings held with Eskom	4		1	1	1	1		
Good Governance, Community Participation and Ward Committee Systems	To promote participatory and transparent governance for the community, service providers and investors to function in the municipality	IDP Review Process	No of meetings attended	4		1	1	1	1		
Financial Viability And Financial Management	To create and uphold effective and efficient Financial Systems	Improve debt management processes	% debt collection	10%		2	3	3	2		
		Ensure that financial resources are efficiently and effectively allocated	No. of budget monitoring tools developed	2		1	1				
		Ensure the Implementation of a supply chain management system that complies with the MFMA and Supply Chain Management Policy.	No. of reports to Council	12		3	3	3	3		
		Effective systems for budget control & expenditure management by HOD's	No. of monthly reports to Manco	12		3	3	3	3		
		Ensure that the budget (Capital&operational) is aligned to the IDP through the preparation and the implementation of the service delivery implementation plan(SDBIP)	No of monthly reports to Manco	12		3	3	3	3		

PLANNING & DEVELOPMENT SERVICES										
National KPA	Strategic Objective	Measurable Objective/Output	Performance Measure/Indicator (Unit of Measure)	Annual Target		Q1	Q2	Q3	Q4	Weight
Municipal Transformation and Institutional Development	To effectively build and maintain institutional capacity and enhance municipal transformation	To align organisational structure to IDP	No. of strategic sessions attended and inputs	4						
		Capacity Building	No. of vacant positions filled as per approved budget	2		1	1	1	1	
		Organisational evaluation & restructuring	No adopted organisational structure including job profiles		1			1		
Basic Service Delivery and Infrastructure Development	To provide sustainable community facilities	Develop business plan for municipal community facilities plan and implement it.	Business plan developed and community facilities plan implemented							
		To develop business plan for the establishment of cemeteries at appropriate location and implement it	% completion in development of business plan and establishment of cemeteries	4 50%		1 15	1 15	1 10	1 10	
		Develop & implement a health facilities plan.	No of business plans developed	1			1			
	To co-ordinate service delivery plans with stakeholders	To prepare and implement an Infrastructure and Services Provision Communication Strategy which details the roles and responsibilities of all service providers in the municipality, as well as assist with the co-ordination of such service delivery	No of stakeholder management strategies developed and implemented	3		1	1		1	
		Partner with DC27 to provide Water reticulation Function in Urban area	% Success in getting the SLA signed	100%		15%	30%	75%	100%	
		To ensure that all required Sector Plans are prepared / revised and implemented	No of plans revised and implemented	4		1	1	1	1	
	To ensure the provision, upgrading and maintenance of Infrastructure and Services to address Backlogs	Develop business plan for Municipal Infrastructure Development Plan and implement it	Business plan develop plans developed and implemented	100%		15%	30%	75%	100%	
		To ensure that all municipal infrastructure is properly maintained through the preparation and implementation of a Municipal Service Maintenance Plan	Number of municipal infrastructure projects							
		Develop and implement a Municipal Integrated Waste Management Plan.	% success in getting the IWMP developed /implemented	100%		15%	45%	75%	100%	
		To ensure, through liaison with Eskom and uMhlangayakude DM, that residents receive electricity	No of meetings coordinated with Eskom	4		1	1	1	1	
		Establish PMU out of 5% MIG Allocation	% success in establishment of PMU	100%		15%	45%	75%	100%	
		Recalculation of Free Basic Services and re-identification of indigent customers (I.o. electricity provision	No of meetings held with Eskom	4		1	1	1	1	
		IDP Review Process	No of meetings attended	4						
Good Governance, Community Participation and Ward Committee Systems	To create and uphold effective and efficient Financial Systems	Establishment of effective portfolio committees.	No of functional committees established	3		1	1	1	1	
		Ensure that the budget (Capital/operational) is aligned to the IDP through the preparation and the implementation of the service delivery implementation plan(SDBIP)	No of monthly reports to Manco			1	1	1		
Financial Viability And Financial Management					12	3	3	3	3	



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SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN

(S D B I P)

2010/2011 BUDGET YEAR

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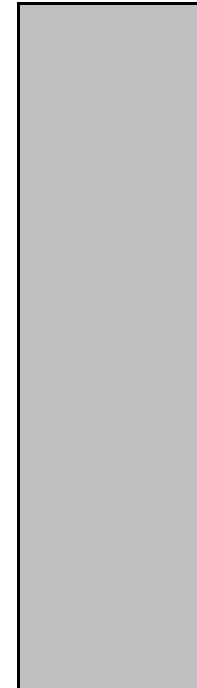
Quartely Projections for Service Deleivery Targets and other Performance Indicators

Municipal Manager's Office

Manager: Corporate Services

Manager: Financial Services

Manager: Planning & Development Services



Introduction

Section 1 of the Municipal Finance Management Act (No.56 of 2003) defines the SDBIP as:

“A detailed plan approved by the mayor of a municipality in terms of section 53

(1)© (ii) For implementing the municipality’s delivery of services and the execution of its annual budget and which must include (as part of the top-layer) the following:

- (a) Projections for each monthly of-
 - (i) Revenue to be collected, by source; and
 - (ii) Operational and capital expenditure, by vote;
- (b) Service delivery targets and performance indicators for each quarter.

The municipal manager is responsible for the preparation of the SDBIP, which must be legally submitted to the mayor for approval once the budget has been approved by the council (around end-May or early-June).

However, the municipal manager should start the process to prepare the top-layer of the SDBIP no later than the tabling of the budget (around March or earlier) and preferably submit a draft SDBIP to the mayor by 1 May (for initial approval). Once the budget is approved by the Council, the municipal manager should merely revise the approved draft SDBIP, and submit for final approval within 14 days after the approval of the budget. The mayor should therefore approve the final SDBIP and performance agreement of the municipal manager public within 14 days, preferably before 1 July. Note that it is only the top layer (of high-level) detail of the SDBIP that is required to be made public.

It is the output and goals made public in the SDBIP that will be used to measure performance on a quarterly basis during the financial year. Note that such in-year monitoring is meant to be a light form of monitoring. The council should reserve its oversight role over performance at the end of the financial year, when the mayor tables the annual report of the municipality. The in-year monitoring is designed to pick up major problems only, and aimed at ensuring that the mayor and municipal manager are taking corrective steps when any unanticipated problems arise. The SDBIP serves a critical role to focus both the administration and council on outputs by providing clarity of service delivery expectations, expenditure and revenue requirements, service delivery targets and performance indicators.

The SDBIP provides the vital link between the mayor, council (executive) and the administration, and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councilors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnership, service contracts and the like.

The SDBIP concept

Municipal managers are encouraged to develop the SDBIP concept further so that it is meaningful and useful to managers. Many municipal managers will already have some form of management plan and the challenge is to develop such management plans as a SDBIP.

Whilst the budget sets yearly service delivery and budget targets (revenue and expenditure per vote), it is imperative that in-year mechanisms are able to measure performance and progress on a continuous basis. Hence, the end-of-year targets must be based on quarterly and monthly targets, and the municipal manager must ensure that the budget is built around quarterly and monthly information. Being a start-of-year planning and target tool, the SDBIP gives meaning to both in-year reporting in terms of section 71 (monthly reporting), section 72 (mid-year report) and end-of-year annual reports.

The SDBIP is essentially the management and implementation tool which sets in-year information, such as quarterly service delivery and monthly budget targets, and links each service delivery output to the budget of the municipality, thus providing credible management information and a detailed plan for how the municipality will provide such services and the inputs and financial resources to be used. The SDBIP indicates the responsibilities and outputs for each of the senior managers in the top management team, the inputs to be used, and the time deadlines for each output. The SDBIP will therefore determine the performance agreements of the municipal manager and senior managers, including the outputs and deadlines for which they will be held responsible. The SDBIP should also provide all expenditure information ((for capital projects and services) per municipal ward, so that each output can be broken down per ward, where this is possible, to support ward councilors in service delivery information.

The SDBIP is also a vital monitoring tool for the mayor and council to monitor in-year performance of the municipal manager and for the municipal manager to monitor the performance of all managers in the municipality within the financial year. This enables the mayor and the municipal manager to be pro-active and take remedial steps in the event of poor performance. The SDBIP aims to ensure that managers are problem-solvers, who routinely look out for unanticipated problems and resolve them as soon as possible.

The SDBIP also enables the council to monitor the performance of the municipality against quarterly targets on service delivery.

Being a management and implementation plan (and not a policy proposal), the SDBIP is not required to be approved by the council; it is however tabled before council and made public for information and for the purpose of monitoring. The SDBIP should be seen as a dynamic document that may (at lower layers of the plan) be continually revised by the municipal manager and other top managers, as actual performance after each month or quarter is taken into account. However, the top-layer of the SDBIP and its targets cannot be revised without notifying the council, and if there is to be changes in the service delivery targets and performance indicators, this must be with the approval of the council, following approval of an adjustment budget (section 54(1)(c) of MFMA). This council approval is necessary to ensure that the mayor of municipal manager do not revise service delivery targets downwards in the event where there is poor performance.

Timing and Methodology for Preparation of the SDBIP

Section 69 (3)(a) of the MFMA requires the accounting officer to submit a draft SDBIP to the mayor no later than 14 days after the approval of the budget and drafts to the performance agreement as required in terms of the section 57 (1)(b) of the municipal Systems Act. The mayor in accordance with section 53(1) (c) (ii) of the MFMA.

These are legal requirements and deadlines limits to assist a municipality to comply with the law-however, best practice suggests that this be done earlier by municipalities, starting with senior managers to draw up their second layer departmental SDBIPs in the early stages of the planning and budget preparation process in line with the strategic direction set in the IDP. The mayor and municipal manager should lead this process.

The municipality should ideally publish its draft SDBIP with its draft budget, or soon after as supporting documentation to assist its budget hearings process normally held at the end of March or in April. As noted above, the SDBIP should be submitted to the mayor by 1 May at the latest. If the draft SDBIP is to be provided for the budget hearings, the municipality may want to bring this date forward, or provide departmental SDBIPs as supporting information to the relevant committee around the end of March. In this case, the mayor will need to approve such departmental of draft SDBIP by mid-March. It should be noted that it is up to the municipality to determine extra detail, ad whether they wish to bring forward their deadlines for submission and approval. A municipality could also opt to have a high level SDBIP complete with ward break-downs for tabling and publication, but may also in addition make available lower layer departmental SDBIPs and other information as requested by council.

With careful planning of the budget process it may be possible for the mayor to approve the SDBIP on less than 7 days after the council approves the budget. Legally, to take into account of possible revisions to the budget, the Act allows for this to occur not later than 28 days after budget approval.

The SDBIP is a key management, implementation and monitoring tool, which provides operational content to the end-of-year service delivery targets, set in the budget and IDP. It determines the performance agreements for the municipal manager and all top managers, whose performance can then be monitored through section 71 monthly reports, and evaluated through the annual report process.

	July 2008 R'000	Aug 2008 R'000	Sept 2008 R'000	Oct 2008 R'000	Nov 2008 R'000	Dec 2008 R'000	Jan 2009 R'000	Feb 2009 R'000	March 2009 R'000	April 2009 R'000	May 2009 R'000	June 2009 R'000
Monthly Projections by Source												
Equitable Share	4,061			5,647	-				-			
Finance Management Grant	1,200											
Municipal Infrastructure Grant	1,237			3,249								
Municipal Systems Infrastructure Grant	750											
MAP												
Small Town Regeneration Grant												
Ingwavuma Sportsfield Grant												
Refuse Removal												
Rates	281	281	281	281	281	281	281	281	281	281	281	281
Discount Received												
Miscellaneous	135	135	135	135	135	135	135	135	135	135	135	135
Tender Monies												
Rent Received												
Fines & Penalties												
Sale of documents / Sundry Income												
Current & General												
Investments												
Penalties (Late Payments)												
Collection Charges												
Total Revenue By Source (Balanced to Cash Flow)	7,664	416	416	9,312	416	416	416	416	416	416	416	416

Monthly Projections of Revenue & Expenditure by Vote

	Opex R'000	January Capex R'000	Revenue R'000	Opex R'000	February Capex R'000	Revenue R'000	Opex R'000	March Capex R'000	Revenue R'000	Opex R'000	April Capex R'000	Revenue R'000	Opex R'000	May Capex R'000	Revenue R'000	Opex R'000	June Capex R'000	Revenue R'000
Expenditure and Revenue by Vote																		
Department - Municipal Managers Office Vote: Executive & Council	167		167	167		167	167		167	167		167	167		167	167		167
Department - Chief Financial Officer Vote: Treasury & Budget Office	415		415	415		415	415		415	415		415	415		415	415		415
Department - Corporate Services Vote: Finance & Administration (HR, IT, etc)	236		236	236		236	236		236	236		236	236		236	236		236
Department - Planning & Development Vote: Planning & Development	126		126	126		126	126		126	126		126	126		126	126		126
Department - Technical Services Vote: Technical Services	146	2,361	2,507	146		146	146		146	146	2,361	2,507	146		146	146		146
Department - Community Services Vote: Community & Social Services	138		138	138		138	138		138	138		138	138		138			138
Total By Vote	1,228	2,361	3,589	1,228	-	1,228	1,228	-	1,228	1,228	2,361	3,589	1,228	-	1,228	1,090	-	1,228

	Opex R'000	January Capex R'000	Revenue R'000	Opex R'000	February Capex R'000	Revenue R'000	Opex R'000	March Capex R'000	Revenue R'000	Opex R'000	April Capex R'000	Revenue R'000	Opex R'000	May Capex R'000	Revenue R'000	Opex R'000	June Capex R'000	Revenue R'000
Expenditure and Revenue by Vote																		
Department - Municipal Managers Office Vote: Executive & Council	167		167	167		167	167		167	167		167	167		167	167		167
Department - Chief Financial Officer Vote: Treasury & Budget Office	415		415	415		415	415		415	415		415	415		415	415		415
Department - Corporate Services Vote: Finance & Administration (HR, IT, etc)	236		236	236		236	236		236	236		236	236		236	236		236
Department - Planning & Development Vote: Planning & Development	126		126	126		126	126		126	126		126	126		126	126		126
Department - Technical Services Vote: Technical Services	146	2,361	2,507	146		146	146		146	146	2,361	2,507	146		146	146		146
Department - Community Services Vote: Community & Social Services	138		138	138		138	138		138	138		138	138		138			138
Total By Vote	1,228	2,361	3,589	1,228	-	1,228	1,228	-	1,228	1,228	2,361	3,589	1,228	-	1,228	1,090	-	1,228